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PSX witnesses 4,900-point surprise rally

Ceasefire between Pakistan and Afghanistan lifts sentiment, tossing index above 161,000-point barrier

By Muhammad Kashif

KARACHI: An agreement to extend the truce between Islamabad and Kabul in a last-ditch diplomatic effort helped restore investor confidence on Friday, triggering aggressive value-hunting across the board and propelling the benchmark index above the 161,000-point barrier. The Pakistan Stock Exchange (PSX) witnessed a dramatic recovery of nearly 5,000 points after seven sessions of heavy losses.

According to Ali Najib, Deputy Head of Trading at Arif Habib Ltd, "After days of relentless pressure, the bulls finally staged a powerful comeback in the last session of the week and month, propelling the KSE-100 index to reclaim the 160,000 mark." The index surged by 4,899 points, or 3.13pc, to close at 161,632 — marking the fourth-highest single-day gain in the PSX's history.

The rally was driven by optimism following the ceasefire agreement between Pakistan and Afghanistan, brokered in Istanbul by Turkiye and Qatar. The development eased geopolitical tensions that had weighed heavily on market sentiment throughout the week, reviving confidence among both institutional and retail investors.

Broad-based buying dominated the session, with strong performances in the banking, fertiliser, technology and cement sectors. Market participation remained robust, with total volume rising 12.32pc to 951.3 million shares, while traded value increased 12.38pc to Rs42.2bn. WorldCall Telecom once again topped the volume chart, with 98.9 million shares changing hands.

After consecutive losses over the past seven sessions, the market entered a consolidation zone between 160,000 and 170,000 points, signalling renewed stability. Analysts said 160,000 now serves as a strong support level, while the benchmark index could potentially test 165,000 in the coming sessions. The strong rebound helped limit overall weekly losses and restore market confidence.

According to Topline Securities Ltd, the recovery followed confirmation from Turkiye's foreign ministry that Pakistan and the Afghan Taliban regime had agreed to maintain a ceasefire after a fresh round of talks in Istanbul. Major positive contributors to the index included United Bank, Meezan Bank, Fauji Fertiliser, Habib Bank, Bank Al-Habib, Systems Ltd, Lucky Cement, and Bank Alfalah, which collectively added 2,390 points to the KSE-100's tally.

PAKISTAN STOCK EXCHANGE

THE TOP FIVERS

GAINERS		LOSERS		LEADERS*	
PIA Holding CoB	822.90	Shahmurad Sugar	18.27	WorldCall Telecom	98.94
Unilever Foods	316.30	Faisal Spinning	13.10	K-Electric	85.82
Rafhan Maize	161.68	Data Agro Ltd	5.58	The Bank of Punjab	78.45
Nestle Pakistan	150.78	Grays Leasing Ltd	4.83	Waves Corporation	40.61
Hoechst Pakistan	119.95	Sardar Chemical	4.81	Pak Elektron	39.58

(Share values in rupees)

* Volume in millions of traded shares

INDICATORS	Friday	Previous	Change
KSE 100-SHARE INDEX (Points)	161,631.73	156,732.87	▲ 4,898.86
KSE 30-SHARE INDEX (Points)	49,377.29	47,752.38	▲ 1,624.91
MARKET CAPITAL (Rs billion)	18,561.637	18,086.220	▲ 475.417
TRADING VALUE (Rs billion)	42.267	37.610	▲ 4.656

ACTIVITY

Total listed	532
Active	486
Gainers	372
Losers	77

PARTICIPANTS

Foreign	▲$2.10m
Companies	▲$0.78m
Banks	▼$0.29m
Mutual Funds	▲$4.17m
Individuals	▼$6.44m

FBR sets new milestone with 5.9m filers

Individual tax payments up 15 per cent to Rs69 billion

By Mubarak Zeb Khan

ISLAMABAD: The Federal Board of Revenue (FBR) has received a record 5.9 million tax returns for the tax year 2025 compared to 5 million returns filed in the same period last year, showing an increase of 17.6 per cent.

The returns received until Oct 31, which is the last date for the filing of tax returns for the tax year 2025.

An official announcement of the FBR said that, as per the directions of the Prime Minister Shehbaz Sharif, no blanket extension in the filing deadline has been granted. However, taxpayers facing genuine hardships may approach their respective field formations through FBR's IRIS system for an extension in filing their returns.

Out of the filed returns, 3.6m taxpayers filed returns with tax payments, reflecting an 18.6pc rise in taxpayers who contributed revenue along with their returns, compared to the same period in 2024.

Moreover, individual taxpayers have paid nearly Rs9 billion more than last year, growing from Rs60bn to Rs69bn this year, representing a 15pc increase in tax payments from individuals.

This recorded a significant increase in income tax return filings for tax year 2025, marking a new milestone in voluntary compliance and taxpayer awareness.

The FBR appreciates the growing cooperation of citizens and reiterates its commitment to facilitating honest taxpayers through simplified processes, digital tools, and responsive communication, ensuring that Pakistan's tax system becomes fairer, transparent, and inclusive.

The rise in return filings is the outcome of a comprehensive outreach campaign. As part of these efforts, nationwide robocalls and WhatsApp messages were disseminated to remind citizens of their civic duty to file tax returns.

In addition, FBR sent a series of behaviorally informed messages to taxpayers using third-party data, beginning with congratulatory notes, followed by informational messages about rights and obligations, and finally cautionary reminders, with nearly 800,000 such nudges issued across the country.

Complementing these initiatives, targeted emails were also sent to around 70,000 taxpayers, highlighting the indicative income levels of comparable peers to encourage accurate and timely filing.

Overall public debt rises Rs9.3tr in FY25

ISLAMABAD: With a track record of 3.6 per cent increase in the overall public debt-to-GDP ratio to 74.5 per cent during FY25, the Ministry of Finance (MoF) on Friday hoped to reduce it to almost 70pc in the current year and to 63.3pc by FY28.

In its Debt Sustainability Analysis Report 2026-28, the MoF projected the public debt to remain sustainable over the medium term, supported by macroeconomic stability and continued fiscal consolidation, albeit with 'a moderate risk arising from gross financing needs (GFN)'.

"As of the end of June 2025, the Public and Publically Guaranteed (PPG) debt-to-GDP ratio stood at 74.5pc, depicting a year-on-year increase of 3.6 percentage points from 70.9pc at the end of June 2024", reads the report. It attributed the increasing debt-to-GDP ratio to the depreciation of the rupee against major currencies, coupled with easing inflation and a persistently high policy rate (as compared to inflation), which raised the real interest rate.

In contrast, the slight increase in real GDP growth and the rise in the primary surplus helped reduce PPG debt as a percentage of GDP. Overall, the domestic PPG debt-to-GDP ratio rose to 49.8pc in FY25 from 46.2pc in FY24, while the external PPG debt-to-GDP ratio remained broadly unchanged.

In absolute terms, the overall PPG debt reached Rs84.79tr (74.5pc of GDP), compared to Rs74.62tr (70.9oc of GDP) in June 2024.

Total public debt stood at 70.8pc of GDP by the end of June 2025, the MOF noted, and was expected to decline to 60.8pc by FY28. Moreover, guarantees are 3.8pc of GDP by the end of June 2025, expected to decline to 2.5pc by FY28. As such, the public and publicly guaranteed (PPG) debt is expected to remain sustainable over the medium term (FY26-FY28). The decrease in public debt would be mainly driven by prudent economic management and fiscal consolidation, it promised.—

As of end-June 2025, Pakistan's public debt was recorded at Rs80.52 trillion (70.8pc of GDP), up from Rs71.24tr in June 2024 (67.7pc of GDP), an increase of almost 9.3tr in a single year. Domestic debt accounted for the largest share and showed a relatively higher rise, whereas external debt remained broadly stable in dollar terms. "This shift reflects the government's policy to rely more on domestic sources, thereby reducing exposure to exchange rate volatility and external refinancing risks".

Publicly guaranteed debt stood at Rs4.27tr, up from Rs3.38tr a year earlier. This increase in publicly guaranteed debt was mainly due to the incorporation, for the first time, of guarantees from commodities operations into the total guarantees issued limit as contingent liabilities.

The government promised to remain focused on a sustainable debt path by managing risks, diversifying financing sources, and aligning borrowing with fiscal and external sector stability. Rising exports, foreign investment, and remittances, along with lower global energy prices, are likely to bolster foreign exchange reserves and ease external account pressures. The exchange rate is projected to remain broadly stable, it said.

Under the baseline scenario, the PPG debt-to-GDP ratio is estimated at 63.3pc in FY28, a decline from 74.5pc in FY25 owing to continued fiscal consolidation and growth-interest rate differential. Based on the underlying macro fiscal assumptions in the baseline scenario, the PPG debt-to-GDP ratio stays within the prudent benchmark range. The GFN-to-GDP ratio has been estimated to decline from 26.1pc in FY25 to 15.6pc in FY28 – still higher than the 15pc benchmark. —Khaleeq Kiani

PERISHABLE items drove price surge for the 13th straight week.—Online/file

Weekly inflation up 5.05pc

ISLAMABAD: Short-term inflation, measured by the Sensitive Price Index (SPI), increased 5.05 per cent year-on-year in the week ending Oct 30, owing to an increase in the retail price of perishable food products in the domestic market.

The SPI-based inflation recorded an upward trend for the past 13 consecutive weeks. The increase is mainly driven by a surge in prices of perishable products, including onions, tomatoes, potatoes, wheat flour as well as edible oil.

It, however, rose 0.12pc from the previous week, data showed on Friday.

The prices of tomatoes, onions and potatoes saw an increase owing to disruption in supply due to closure of border with Afghanistan. The extraordinary spike in the retail prices of sugar, and meat also contributed in reversing the trend during the past weeks under review.

The retail price of sugar in the market reached to Rs180 to Rs200 per kg. The price of meat is steadily on the rise in the past few weeks.

The items whose prices increased the most over the previous week included onions (59.54pc), eggs (3.24pc), chicken (2.40pc), garlic (1.72pc), firewood (0.93pc), cooking oil 5-litre (0.64pc), vegetable ghee 2.5 kg (0.40pc), wheat flour (0.36pc) and powdered milk (0.22pc).

The items whose prices saw a decline week-on-week included tomatoes (47.02pc), pulse gram (1.66pc), pulse masoor (1.20pc), pulse moong (0.65pc), gur (0.56pc), potatoes (0.23pc), pulse mash (0.14pc) and rice IRRI-6/9 (0.12pc).

However, on an annual basis, the items whose prices increased the most included ladies sandal (55.62p), sugar (42.44p), tomatoes (31.56pc), gas charges for Q1 (29.85pc), onions (19.98pc), wheat flour (19.23pc), gur (18.41pc), beef (13.42pc), firewood (12.51pc), vegetable ghee 2.5 kg (12.34pc).

In contrast, the prices of garlic dropped 30.74pc, followed by pulse gram (29.12pc), electricity charges for Q1 (26.26pc), potatoes (20.07pc), tea lipton (17.93pc), pulse mash (15.87pc), chicken (15.63pc), LPG (5.93pc), pulse masoor (4.68pc) and rice IRRI-6/9 (3.36pc). —Mubarak Zeb Khan

Revenue shortfall hits Rs274bn in July-Oct

ISLAMABAD: The Federal Board of Revenue (FBR) missed its collection target by nearly Rs274 billion in the first four months of the current fiscal year due to a decline in domestic sales tax collection.

FBR collected Rs3.835 trillion between July and October against the target of Rs4.108tr. However, the collection is 12pc higher compared to the year-ago figure of Rs3.834tr.

The revenue shortfall is primarily attributed to a slowdown in domestic sales tax collection, driven by several factors. The decline is largely due to power outages and increased solarisation, both of which have significantly reduced taxable consumption from conventional utility sources.

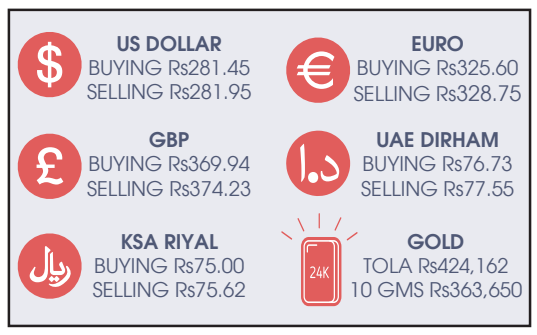
As a result revenue collection fell short of the target by Rs75bn in October, to Rs951bn, against the projected target of Rs1.026tr for the same month. However, it recorded growth of 8pc compared with last year's collection of Rs 879 bn in October FY25.

The FBR issued Rs206bn in refunds and rebates to taxpayers during the month of July-October FY26, up from Rs170bn a year earlier, an increase of 21.17pc.

During July-October FY26, income tax collection reached Rs1.796tr, falling short of the target by Rs103bn against the target of Rs1.899tr. This reflects an 11pc increase from Rs1.611tr collected last year.

Sales tax collection amounted to Rs1.359tr, falling short of the Rs1.542tr target by Rs183bn, though it marked a 10pc increase over last year's Rs1.236tr. Customs duty collection stood at Rs420bn, surpassing the Rs407bn target by Rs13bn, though it grew by 12pc compared to Rs376bn last year.

The Federal Excise Duty collection reached nearly its target, reaching Rs259bn against the projected target of Rs260bn and a growth of 21pc from last year's Rs214bn.—Staff Reporter



ASEAN envoys explore investment opportunities

ISLAMABAD: Seven member countries of the Association of Southeast Asian Nations (ASEAN) held a joint meeting with Minister for Investment Qaiser Ahmed Sheikh on Friday to explore new avenues of investment and economic cooperation with Pakistan.

During the meeting, the ambassadors and high commissioners acknowledged Pakistan's significant investment potential and expressed their willingness to explore partnerships across multiple sectors, particularly tourism, food processing, and emerging industries.

The ASEAN delegation included Ambassador of Thailand and Chair of the ASEAN Committee in Islamabad, Rongvudhi Virabutr; Ambassador of Indonesia, retired Lt-Gen Chandra Warsenanto Sukotjo; High Commissioner of Malaysia, Dato Mohammad Azhar Mazlan; Ambassador of Vietnam, Pham Ahn Tuan; Ambassador of the Philippines, Dr Emmanuel R. Fernandez; Ambassador of Myanmar, Wunna Han; and High Commissioner of Brunei, Pengiran Haji Kamal Bashah Pengiran Haji Ahmad.

Mr Qaiser briefed the envoys on Pakistan's investor-friendly policies and the government's efforts to attract foreign direct investment through incentives and structural reforms. He underlined the strategic role of Special Economic Zones (SEZs) and the Facilitation Centre in promoting investment opportunities, emphasising that these initiatives aim to encourage sustainable industrial growth and generate employment.

The discussions also focused on enhancing trade and investment linkages, improving connectivity, and simplifying investment procedures to create a more enabling environment for foreign investors. Mr Sheikh described ASEAN as a key regional partner for Pakistan, noting that the government is pursuing an export-led growth strategy to strengthen regional trade integration.

The ASEAN envoys appreciated Pakistan's investment-friendly framework and conveyed their interest in participating in projects promoting regional growth and integration. —Amin Ahmed

Govt receives 23 bids after 18 years for offshore exploration

Most bids come from state-run firms for 40 blocks, with Turkish Petroleum joining Pakistan's renewed offshore drive

By Khaleeq Kiani

ISLAMABAD: The government on Friday received 23 bids, most of them from its own entities, for 40 offshore blocks it offered for exploration, according to an official announcement.

"Bids were received for 23 offshore blocks, covering a total area of approximately 53,510 square kilometres," the Petroleum Division said in a statement. "Among the successful bidders are Pakistan's leading national companies, Oil and Gas Development Company Ltd (OGDCL), Pakistan Petroleum Ltd (PPL), Mari Energies Ltd (MEL) and Prime Energy Ltd (PML)," it added.

Earlier this month, the government received only one bid for 23 onshore exploration blocks, submitted by Mari Energies — a company jointly owned by Fauji Foundation, the government, and its other entities.

The Petroleum Division termed the bid results as "encouraging, reflecting strong investor confidence in Pakistan's upstream sector" and in line with Prime Minister Shehbaz Sharif's vision for energy security and enhanced indigenisation.

It said that important international and private-sector partners, such as Turkish Petroleum, United Energy, Orient Petroleum, and Fatima Petroleum, also joined the above bids as joint venture partners, 'underscoring growing international interest in Pakistan's offshore potential'.

The petroleum ministry did not disclose the number of bids from each company or for different blocks, and Dawn's requests for further details were declined.

The exploration attempts by leading international firms like Shell and ExxonMobil in Pakistan's offshore blocks remained unsuccessful, the latest by a consortium led by ExxonMobil about five years ago, despite the availability of promising hydrocarbon data.

Before initiating the process, the Petroleum Division developed a Model Production Sharing Agreement (MPSA), a key document integrated into the bid package, to ensure transparency, competitiveness, and investor confidence. In parallel, the Offshore Petroleum Rules were promulgated to provide a comprehensive regulatory framework, paving the way for renewed offshore exploration in Pakistan's waters.

A recent basin study conducted by the US firm DeGolyer and MacNaughton (D&M) has indicated a significant yet-to-find potential of hydrocarbons in Pakistan's offshore basins. Building on this encouraging assessment, the Offshore Bid Round 2025 was launched to offer blocks that enable companies to undertake systematic exploration to test various geological plays across both the Indus and Makran basins.

The statement said the bids were publicly opened transparently on October 31 by the Bid Opening Committee, chaired by the Director General Petroleum Concessions (DGPC), in the presence of representatives from the provincial governments of Sindh and Balochistan, the two coastal provinces hosting the offshore areas. The Offshore Bid Round 2025 was launched in January this year, after a 18-year gap, to grant petroleum exploration licenses for 40 offshore blocks.

The petroleum division said a total of 4,427 work units have been committed for these 23 blocks during Phase 1 of the initial three-year license period, representing an investment of approximately $80 million.

The companies have submitted work programmes designed to progressively mitigate geological risks, and, in the event of exploration drilling, investments could reach $750m to $1bn, it said.

During Phase 1, the companies will undertake comprehensive geophysical and geological (G&G) studies, including seismic data acquisition, processing, and interpretation, to better define the hydrocarbon potential of Pakistan's offshore basins. Upon completion of these studies, the Phase-II work programme will be finalised, including the drilling of exploratory wells in the prospective areas.

The statement said the government strategy to initiate exploration in both the Indus and Makran basins simultaneously paid off, as reflected in the participation and outcome of the bid round. After the completion of G&G work and drilling planning, the Ministry will invite global oil majors to join the next phase of offshore exploration, several of whom are already in contact with the government and local companies and are currently evaluating the available data.

The statement said a major intervention came from TPAO, a national company of T rkiye, which has taken a 25pc stake in the offshore block-C, along with operatorship.